## **REMARKS**

The comments of the Examiner as set forth in the official office action of October 31, 2003 have been carefully studied and reviewed. In this response, the Examiner's concerns regarding the drawings and specification have been addressed. In addition, claims 1, 27 and 31 have been amended. Claim 32 has been canceled. For the reasons set forth below it is respectfully urged that the present application is in condition for allowance and allowance is respectfully requested.

First, claim 1 is rejected under 35 USC 102(b) as being anticipated by Kotzur et al.

Claim 1 has been amended to clearly define over the Kotzur reference. The basic distinction between Applicant's invention as defined in claim 1 and the Kotzur disclosure is that in Applicant's claimed invention a single transfer arm is utilized to transfer wire back and forth from one wound mandrel to the other unwound mandrel. Claim 1, as now amended, clearly articulates that the single transfer arm works in both directions. That is, it transfers the wire from the first mandrel to the second mandrel and also transfers the wire from the second mandrel to the first mandrel.

This is to be contrasted with Kotzur. As illustrated in Figures 6-11, Kotzur discloses two transfer arms, 116 and 118. Each respective transfer arm 116 or 118 is only operative to transfer the wire to its connected or associated mandrel. That is, in Kotzur the transfer arm 116 is only operative to transfer the wire to mandrel 46. Likewise transfer arm 118 is only operative to transfer the wire to mandrel 44.

That is to be contrasted with Applicant's transfer arm 352. Note in Figures 4A-4Q that the transfer arm 352 is indeed a single transfer arm and acts to transfer the wire from either mandrel to the other. In operation, how this works, is that after one mandrel is wound, the transfer arm engages the wire leading to the wound mandrel and moves the wire laterally to the other unwound mandrel where the wire is connected thereto. Once this mandrel has been

wound with wire, then the same transfer arm 352 acts to engage the wire and transfer it from the then wound mandrel back to the other unwound mandrel. Again, this is achieved by utilizing a single transfer arm.

It is respectfully urged that claim 1 and the claims depending therefrom define over the Kotzur reference.

With respect to claims 14-17, the Examiner takes the position that these claims would inherently result from the use of the wire-winding machine of Kotzur. Applicant respectfully disagrees and requests that the Examiner reconsider this position. Claim 14 includes the step of transferring the wire from the first mandrel to the second mandrel with an extendable and retractable transfer arm. Note that Applicant's transfer arm 352 extends and retracts. In Figure 4A it assumes a retracted position. In Figure 4D the transfer arm 352 assumes an extended position. The transfer arms 114 and 118 of Kotzur do not extend and retract. They simply pivot about an axis. In addition, claim 14 calls for transferring the wire to the second mandrel by selectively extending and retracting the transfer arm so that in the course of transferring the wire to the second mandrel that the transfer arm is operative to engage the wire segment extending from the first mandrel and to move at least a portion of the wire segment to a position adjacent the second mandrel where the wire is secured to the second mandrel. Here claim 14 is clearly limited to a transfer arm that extends and retracts during the course of moving the wire from one mandrel to another mandrel.

Applicant recognizes that the Examiner is putting forth an inherency position here.

However, it is not at all apparent why the Patent Office believes that the claimed method is inherent. As pointed out above the method of claim 14 is not expressly met by Kotzur and, it is respectfully urged, is not inherent. For these reasons the Examiner is respectfully requested to allow claim 14 and the claims depending there from.

Claim 27 also stands rejected under 35 USC 102 in view of Kotzur. Claim 27 has been amended to include the limitations of the transfer arm found in claim 18. The Examiner has held

that claim 18 is allowable over the prior art. Basically claim 27 now includes recitations that call for the transfer arm to be pivotally mounted and movable between a plurality of positions relative to the two mandrels and that the transfer arm is extendable between retracted and extended positions. Accordingly, the Examiner is respectfully urged to allow claim 27 and the claims depending there from.

In the office action, the Examiner has indicated that claim 32 contains allowable subject matter. Accordingly, claim 31 has been amended to include the subject matter of claim 32.

This should place claim 31 in condition for allowance.

It is believed that this response places the present application in condition for allowance.

The time and cooperation of the Examiner is greatly appreciated.

By:

Respectfully submitted,

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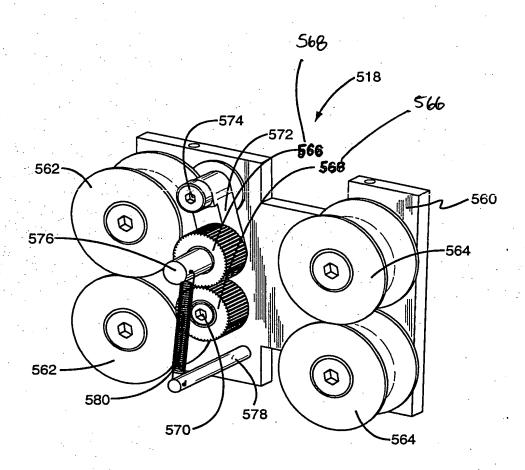


FIG. 8A